



Spotlight on Turkey: U.S. Business Opportunities in Renewable Energy and Energy Efficiency into 2014

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Strategically positioned at the crossroads of Europe, Asia and the Middle East, Turkey has embarked on a major renewable energy and energy efficiency (RE/EE) program. The country aims to increase its clean energy share to 30% of its power supply by 2023 – the 100th anniversary of the Turkish republic. With over \$40 billion in investment expected in this area by 2020, U.S. RE/EE companies will see major business development opportunities in solar, wind, geothermal, hydro and all elements of energy efficiency.

Here at the U.S. Embassy in Turkey, we've seen Turkey's remarkable economic growth firsthand. This growth of 8.9% in 2010 and 11% in the first quarter of 2011, has caused a sharp increase in energy demand. Furthermore, Turkey forecasts 6-8% annual growth in energy demand through 2020, with an expected addition of 50,000 MW to the grid. Public and private sector investment will fund many of these projects, and U.S. companies are taking notice.

For example, in a major acquisition, the U.S. giant AES acquired a nearly 50 percent share in AES-Entek Electric Company, a joint venture with Koç Group. This new U.S.-Turkish joint venture will focus on existing and new generation opportunities, including renewables. GE also recently announced a 530-megawatt project, with the Turkish MetCap Energy Investments in Karaman, Turkey. The project will feature a 22-megawatt GE wind farm, a 50-megawatt eSolar "power tower" solar thermal system and GE's new FlexEfficiency turbine technology. A FlexEfficiency natural-gas fired power plant is designed to rapidly increase or decrease power feeds into the grid in response to intermittent production from renewable energy sources such as wind and solar. GE is calling this Turkish power plant the first "integrated renewables combined cycle" system.

Other U.S. companies are also encouraged by opportunities in Turkey. The U.S. firm Clipper Wind opened a representative office in 2010 in Istanbul, and U.S. geothermal project developers and equipment suppliers are chasing several geothermal projects in Western Turkey. In addition, the U.S. Department of Energy is leading an innovative Near Zero Zone project in Izmir to develop a pilot project in energy efficiency using U.S. technology, in partnership with GE Ecoimagination, Shaw Group and Johnson Controls.

Turkish firms are hungry for U.S. equipment and technology in both renewable energy and energy efficiency, particularly important given high energy costs in Turkey and the need to lower production costs to remain competitive internationally. The U.S. Commercial Service at the U.S. Embassy in Turkey receives 5-7 inquiries per month for potential U.S. suppliers of RE/EE equipment, services and technology (see trade mission opportunity below). U.S. exporters can become even more competitive by offering trade finance to their Turkish importer, and U.S. EximBank and the European Bank for Reconstruction and Development offer attractive terms to fund sales of American equipment.

Based on recent market research by the U.S. Commercial Service in Turkey, the following areas have significant business opportunities for American firms in the next 6-36 months:

- Wind Turbines;
- Geothermal Exploration, Drilling and Geophysical Engineering Services;
- Geothermal Power Plant Equipment;
- Biomass Power Generation;
- Waste to Energy Systems and Solutions;
- Hydroelectric Power Plant Equipment Supply;
- Solar Power Generation Systems;
- Microturbines, Cogeneration Systems;
- Coal gasification and coal-bed methane Systems and Solutions;
- Energy Efficiency Systems and Solutions;
- Fuel Cells, Heat Pumps

Turkey's growing need for energy, its focus on renewables and energy efficiency trade finance options, and the U.S. product/service/technology value offer a compelling case for American-Turkish business partnerships. Turkey also offers a business environment that has benefited from ongoing market reforms, strong growth and economic political stability. To get started in Turkey, contact Mr. Serdar Cetinkaya, Energy Business Leader, U.S. Embassy Commercial Service Ankara, Turkey at Serdar.Cetinkaya@trade.gov, (+90) 312-457-7203.

Renewable Energy and Energy Efficiency Trade Mission to Turkey, Dec. 5-9, 2011

The U.S. Commercial Service of the U.S. Department of Commerce is recruiting U.S. companies for a trade mission to Turkey, Dec. 5-9, 2011. The mission, which will visit the cities of Ankara, Istanbul, and Izmir, will be led by a senior Commerce Department executive to open doors to key government and business decision makers. Participating U.S. companies will have the opportunity to meet 10-15 qualified Turkish partners based on your company's business development goals; secure trade finance support via a U.S. EximBank Officer who will join mission; and learn about the RE/EE market through high-level briefings. The mission will also provide excellent networking opportunities with key decision-makers at the U.S. Ambassador's residence and other prestigious venues. Space is limited to fifteen U.S. Companies. For pricing and other information contact Glen.Roberts@trade.gov, Tel: +1-559-348-9859, or visit www.export.gov/California/kern/trademissions.

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